

Daily Treasury Outlook

22 October 2025

Highlights

Global: US equities ended little changed on Tuesday in a quiet session, with investors' attention shifting to Japan after Sanae Takaichi was elected as the country's first female prime minister. In her inaugural press conference, Takaichi said she has no immediate plan to revise the joint accord between the Bank of Japan and the government, which pledges policy coordination to lift Japan out of economic stagnation. She expressed hope that the central bank would pursue monetary policy aimed at achieving the 2% inflation target in a sustainable manner—supported not only by higher import costs but also by wage growth. The yen weakened further following her remarks. US-China tensions eased slightly after President Trump voiced optimism about reaching a “fair” trade deal with China at the upcoming APEC meeting later this month, though he stopped short of confirming whether the meeting will take place. In the UK, the government sold GBP 1.5bn of 2053 green bonds at a record-high average yield of 5.294%, underscoring that the sector remains vulnerable to the broader rise in sovereign borrowing costs. Bank of England Governor Andrew Bailey told Parliament that “alarm bells” were ringing in the private credit sector and confirmed discussions with firms about conducting a “system-wide exploratory scenario” to identify vulnerabilities—similar to last year's stress test of core UK financial markets.

Market Watch: Looking ahead, we expect Bank Indonesia to cut its policy rate by 25bps today, while the Fed enters its pre-meeting communication blackout ahead of next week's FOMC.

Commodities: Crude oil benchmarks rebounded on Tuesday, with WTI and Brent rising by 0.5% to USD57.8/bbl and USD61.3/bbl, respectively. Oil prices found support amid US plans to refill the Strategic Petroleum Reserve (SPR). According to a press release, the Department of Energy (DOE) announced a new solicitation to purchase oil (1.0 million barrels) for the SPR, with deliveries scheduled for December 2025 and January 2026. Currently, the SPR holds ~400mn bbls, about 57% of its 700mn bbl capacity. Despite this support, oil prices continue to trade near their five-month low.

Key Market Movements

Equity	Value	% chg
S&P 500	6735.4	0.0%
DJIA	46925	0.5%
Nikkei 225	49316	0.3%
SH Comp	3916.3	1.4%
STI	4381.1	1.2%
Hang Seng	26028	0.7%
KLCI	1616.8	0.6%
	Value	% chg
DX	98.934	0.4%
USDJPY	151.93	0.8%
EURUSD	1.1600	-0.4%
GBPUSD	1.3371	-0.3%
USDIDR	16590	0.1%
USDSGD	1.2986	0.3%
SGDMYR	3.2613	-0.1%
	Value	chg (bp)
2Y UST	3.46	-0.01
10Y UST	3.96	-1.73
2Y SGS	1.44	1.30
10Y SGS	1.77	1.67
3M SORA	1.40	0.10
3M SOFR	4.31	-0.13
	Value	% chg
Brent	61.32	0.5%
WTI	57.24	0.4%
Gold	4125	-5.3%
Silver	48.71	-7.1%
Palladium	1416	-6.1%
Copper	10624	-0.6%
BCOM	105.81	-1.6%

Source: Bloomberg

Major Markets

ID: We expect Bank Indonesia to cut its policy rate by 25bps to 4.50% in today's monetary policy meeting announcement (3pm SGT), which will mark its fourth consecutive reduction as it prioritises growth support. The move complements President Prabowo Subianto's goal boosting growth and achieving 8% annual growth by the end of his term. Inflation remains contained at 2.7% YoY in September, while the rupiah has been broadly stable, last trading around 16,590 per US dollar.

MY: Prime Minister Anwar Ibrahim said Malaysia will push to reinforce ASEAN's central role in shaping the Regional Comprehensive Economic Partnership (RCEP) during the 5th RCEP Leaders' Meeting scheduled for 27 October. PM Anwar noted that the RCEP goes beyond an economic deal, representing ASEAN's commitment to open regionalism and shared prosperity. PM Anwar stressed that success depends on turning commitments into opportunities, including tackling non-tariff barriers and integrating digital and green sectors.

TH: The Cabinet has approved the Finance Ministry's plan requiring government agencies and state enterprises to accelerate investment budget disbursements in FY2026 (FY26) to help boost GDP growth. The accelerated spending will be drawn from three sources (FY26 budget; allocation for disbursement during the transition between budget years; investment budgets from state enterprises) totalling THB4.37trn. Deputy Prime Minister and Finance Minister Ekniti Nitithanprapas said the initiative is part of the government's "Quick Big Win" policy to inject funds rapidly into the economy. He added that clear targets have been set for FY26, including at least 93% of overall budget disbursement – 98% for fixed allocations and 75% for investment allocations. To enforce these goals, the Cabinet issued strict guidelines including, payments to contractors within five days of completion of work inspection and acceptance; tying performance evaluations of agency heads to disbursement and commitment results; and front-loaded investment by state enterprises in the first half FY26.

VN: Vietnam and Finland have elevated their relationship to a strategic partnership during General Secretary To Lam's visit to Helsinki on 21 October, building on over 50 years of friendship and cooperation for mutual benefit and global stability. They committed to enhancing high-level exchanges, establishing an annual strategic dialogue on global issues, and collaborating on security, defense, and multilateral forums while upholding international law. Economic cooperation will focus on fair trade and investment, with joint efforts in e-government, AI, semiconductor, 5G/6G, green technologies, innovation, and climate change adaptation to promote sustainable development. Elsewhere, Prime Minister Pham Minh Chinh reaffirmed his target to strive for GDP growth of at least 10% in 2026, up from the at least 8% growth target for this year.

ESG

SG: The Energy Market Authority (EMA) has granted Conditional Approval to Sembcorp Utilities Pte Ltd, which is working with its consortium partner, Sarawak Energy Berhad, to import 1 GW of low-carbon electricity from Sarawak to Singapore, mainly in the form of hydropower. The conditional approval provides the consortium with regulatory support from EMA to continue to develop the project to meet its proposed commercial operation date, which is expected to be around 2035. Additionally, Singapore Energy Interconnections (SGEI), SP Group and Tenaga Nasional Berhad signed a joint development agreement to conduct detailed feasibility studies for a second electricity interconnection between Singapore and Peninsular Malaysia. The proposed interconnector could support up to 2 GW of capacity by 2030, complementing an existing link that allows up to 1 GW of bi-directional electricity flows. These efforts contribute to achieving Singapore's target of importing around 6 GW of low-carbon electricity by 2035, which would make up around a third of the country's expected energy demand then.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded higher yesterday with shorter and belly tenors trading ~2bps higher while 10Y traded 1bps higher. As per Bloomberg, New World Development Co Ltd (“New World”) clarified that it is not conducting a liability management exercise in relation to its perpetuals or other debt securities, responding to media reports suggesting otherwise. New World also confirmed that it has not received any equity financing proposals. Despite completing a USD11bn loan refinancing, New World still faces financial challenges with a total of USD7.9bn of outstanding bonds, of which ~57% are perpetual notes. In other news by Bloomberg, at least three of Far East Consortium International Ltd’s perpetual holders said that they have received distribution payments, which was payable on 18 October. Lastly, Genting Bhd plans to fund the take-private of its Malaysia unit with USD1bn in loan and MYR3bn (~USD710mn) in medium-term notes. Bloomberg Asia USD Investment Grade spreads traded flat at 64bps and Bloomberg Asia USD High Yield spreads tightened by 7bps to 350bps respectively. (Bloomberg, OCBC)

New issues:

There were six notable issuances by four issuers in the Asiadollar market yesterday.

- ASB Bank Ltd priced USD800mn of debt in two tranches: a USD500mn 5Y Fixed Bond at T+60bps (reoffer price par to yield 4.155%) and a USD300mn 5Y FRN at SOFR+90bps.
- GS Caltex Corp priced a USD300mn 5Y Fixed Bond at T+77bps (reoffer price 99.657 to yield 4.327%).
- China Energy Overseas Investment (Hong Kong) Co., Limited (guarantor: China Energy Engineering Corporation Limited) priced USD200mn of debt in two tranches: a USD100mn 3Y Green Fixed Bond at T+36.10bps (par to yield 3.80%) and a USD100mn PerpNC5 Green Subordinated Perpetual Note at T+70.20bps (par to yield 4.25%).
- SBI Holdings Inc priced a USD100mn 2Y Fixed Bond at 4.30%.

There was one notable issuance in the Singdollar market yesterday.

- Aspial Lifestyle Ltd priced a SGD75mn 4Y Fixed bond at 5.10%.

Mandates:

- Three Gorges Finance I (guarantor: China Three Gorges Corp) may issue a USD-denominated Fixed note.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.934	0.35%	USD-SGD	1.2986
USD-JPY	151.930	0.78%	EUR-SGD	1.5062
EUR-USD	1.160	-0.36%	JPY-SGD	0.8547
AUD-USD	0.649	-0.38%	GBP-SGD	1.7361
GBP-USD	1.337	-0.25%	AUD-SGD	0.8424
USD-MYR	4.230	0.08%	NZD-SGD	0.7455
USD-CNY	7.125	712.46%	CHF-SGD	1.6306
USD-IDR	16590	0.09%	SGD-MYR	3.2613
USD-VND	26343	0.00%	SGD-CNY	5.4869

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9310	0.63%	1M	4.0158
3M	2.0150	0.25%	2M	3.9447
6M	2.1000	-0.62%	3M	3.8723
12M	2.1390	-1.16%	6M	3.7030
			1Y	3.4650

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
10/29/2025	-1.032	-103.20%	-0.258	3.847
12/10/2025	-2.174	-114.20%	-0.543	3.562

Equity and Commodity

Index	Value	Net change
DJIA	46,924.74	218.16
S&P	6,735.35	0.22
Nasdaq	22,953.67	-36.87
Nikkei 225	49,316.06	130.56
STI	4,381.05	52.12
KLCI	1,616.83	9.65
JCI	8,238.08	149.11
Baltic Dry	2,071.00	2.00
VIX	17.87	-0.36

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.44 (+0.01)	3.45(--)
5Y	1.6 (+0.02)	3.56 (-0.01)
10Y	1.77 (+0.02)	3.96 (-0.02)
15Y	1.85 (+0.02)	--
20Y	1.86 (+0.02)	--
30Y	1.97 (+0.01)	4.54 (-0.03)

Financial Spread (bps)

Value	Change	
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	4.16
------	------

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	57.82	0.52%	Corn (per bushel)	4.198	-0.8%
Brent (per barrel)	61.32	0.51%	Soybean (per bushel)	10.308	-0.1%
Heating Oil (per gallon)	220.58	0.62%	Wheat (per bushel)	5.003	-0.9%
Gasoline (per gallon)	182.53	-0.27%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	3.47	2.27%	Rubber (JPY/KG)	309.500	2.8%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	10623.50	-0.64%	Gold (per oz)	4125.2	-5.3%
Nickel (per mt)	15175.00	-0.31%	Silver (per oz)	48.7	-7.1%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
10/22/2025 12:00	MA	CPI YoY	Sep	1.40%	--	1.30%	--
10/22/2025 14:00	UK	CPI MoM	Sep	0.10%	--	0.30%	--
10/22/2025 14:00	UK	CPI YoY	Sep	4.00%	--	3.80%	--
10/22/2025 14:00	UK	CPI Core YoY	Sep	3.70%	--	3.60%	--
10/22/2025 14:00	UK	CPI Services YoY	Sep	4.80%	--	4.70%	--
10/22/2025 14:00	UK	CPIH YoY	Sep	4.20%	--	4.10%	--
10/22/2025 14:00	UK	Retail Price Index	Sep	407.1	--	407.7	--
10/22/2025 14:00	UK	RPI MoM	Sep	-0.20%	--	0.40%	--
10/22/2025 14:00	UK	RPI YoY	Sep	4.70%	--	4.60%	--
10/22/2025 14:00	UK	RPI Ex Mort Int.Payments (YoY)	Sep	--	--	4.40%	--
10/22/2025 14:00	UK	PPI Output NSA MoM	Sep	0.20%	--	0.20%	--
10/22/2025 14:00	UK	PPI Output NSA YoY	Sep	3.60%	--	2.90%	--
10/22/2025 14:00	UK	PPI Input NSA MoM	Sep	0.20%	--	-0.20%	--
10/22/2025 14:00	UK	PPI Input NSA YoY	Sep	0.80%	--	-0.10%	--
10/22/2025 15:20	ID	BI-Rate	22-Oct	4.50%	--	4.75%	--
10/22/2025 19:00	US	MBA Mortgage Applications	17-Oct	--	--	-1.80%	--

Source: Bloomberg

Follow our podcasts by searching 'OCBC Research Insights' on Telegram!



Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberthwong@ocbc.com

Jonathan Ng
ASEAN Economist
jonathanng4@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavyavenkateswaran@ocbc.com

Ong Shu Yi
ESG Analyst
shuyiong1@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
mengteechin@ocbc.com

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Investment Research Private Limited ("OIR"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OIR, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OIR, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W